

STATE MS.-DE SOTO CO.
FILED

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INDEXING INSTRUCTIONS:

AUG 14 9 50 AM '00

SE ¼ of SE ¼ of Section 16,
Township 1 South, Range 8 West
DeSoto County, Mississippi

BK 86 PG 304
WALK

PREPARED BY:

Stephen H. Leech, Jr., Esquire
Attorney At Law
850 East River Place, Suite 300
Post Office Box 3623
Jackson, MS 39207
(601) 355-4013

**FIRST AMENDMENT TO
MEMORANDUM OF OPTION AGREEMENT**

This First Amendment to Memorandum of Option Agreement ("Memorandum") is executed as of the 26th day of July, 2000 by and between CITY OF SOUTHAVEN, an incorporated municipality in DeSoto County, Mississippi, ("Owner") and COGENTRIX ENERGY, INC., a North Carolina corporation ("Buyer").

WHEREAS, Owner and Buyer entered into an Option Agreement dated as of the 21st day of May, 1999 ("Option");

WHEREAS, for and in consideration of the mutual covenants and promises therein contained and the consideration therein set forth and other good and valuable consideration paid by Buyer to the Owner, the receipt and sufficiency of which were acknowledged, Owner has granted to Buyer, its successors and assigns, the exclusive right and option to purchase, upon the terms and conditions therein set forth (the "Option"), all of the property lying and being situated in DeSoto County, Mississippi and described in Exhibit A attached to the Memorandum of Option Agreement dated as of May 21, 1999 and recorded in Book 86, Page 203 of the land records of the Chancery Clerk of DeSoto County; (the "Memorandum") and

WHEREAS, Owner and Buyer desire to place notice upon the public records of the First Amendment to said Option which adds to the Option the certain parcel of property described on Exhibit A to this First Amendment to Memorandum Option Agreement;

NOW, THEREFORE, the parties agree that the summary of certain material terms and conditions of said Option set forth in the Memorandum is amended as follows:

1. The "Property" subject to the Option shall include the property described on Exhibit 1 attached hereto in addition to the "Property" described in the Memorandum.

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IN WITNESS WHEREOF, the parties have affixed their signatures effective on the date first written above.

OWNER:

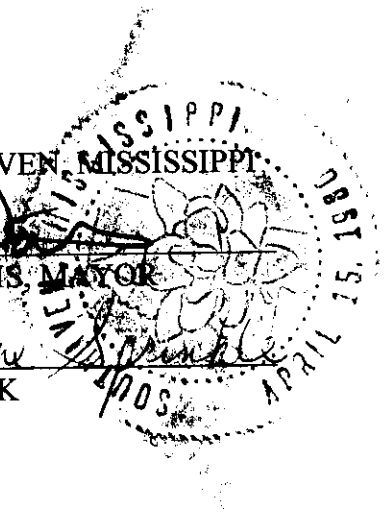
CITY OF SOUTHAVEN, MISSISSIPPI

BY: 

GREG DAVIS, MAYOR

BY: 

CITY CLERK



BUYER:

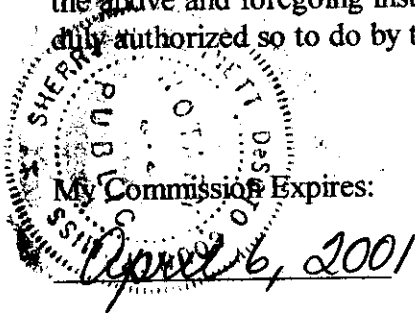
COGENTRIX ENERGY, INC.

BY: 

TITLE: Vice Pres. Cogentrix Energy

STATE OF MISSISSIPPI
COUNTY OF De Soto

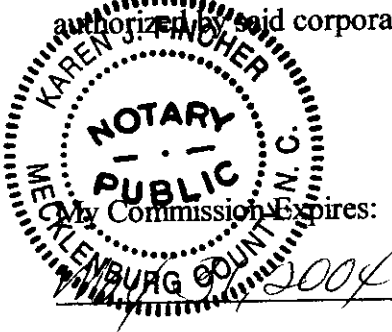
Personally appeared before me, the undersigned authority in and for the jurisdiction aforesaid, GREG DAVIS, and MARLENE SPINKLE who acknowledged to me that they are the Mayor and City Clerk, respectively, of the City of Southaven, Mississippi (the "OWNER"), and that for and on behalf of the OWNER and as its act and deed, they signed, sealed and delivered the above and foregoing instrument on the day and in the year therein mentioned, they being first duly authorized so to do by the OWNER.



Sherry W. Bennett
NOTARY PUBLIC

STATE OF North Carolina
COUNTY OF Mecklenburg

Personally appeared before me, the undersigned authority in and for the said county and state, on the 1 day of August, 2000, within my jurisdiction, the within named Gerard B. Mack, who acknowledged that he is Vice President of COGENTRIX ENERGY, INC., a North Carolina corporation, and that for and on behalf of the said corporation, and as its act and deed, he executed the above and foregoing instrument, after first having been duly authorized by said corporation so to do.



Karen J. Fincher
NOTARY PUBLIC

EXHIBIT "A"

A part or parcel of the Southeast Quarter of the Southeast Quarter of Section 16, Township 1 South, Range 8 West, DeSoto County, Mississippi and being more particularly described as follows:

Parcel No. 4

Beginning at the Northeast corner of Section 16, Township 1 South, Range 8 West; thence along this Section 16 line a distance of 53 feet more or less to the west Right-of-Way of Tulane Road which is the point-of-beginning; thence west along the said Section 16 line a distance of 367 feet more or less; thence south 105 feet more or less; thence east a distance of 367 feet more or less to the west Right-of-Way of Tulane Road; thence north along said Right-of-Way a distance of 105 feet more or less to the point-of-beginning, said parcel containing .88 acres, more or less.